

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Payment Process

A. Advance Payments

- 1) During the 18 month term of this Agreement, the State shall issue one working capital advance to the Contractor not to exceed 25% of the total Contractor allocation as set forth on the funding detail page of Std. 213 Standard Agreement.
- 2) CSD will initiate the repayment process of advanced funds beginning with the July 31, 2007 reporting period of the contract term and ending with the June 30, 2008 reporting period of the contract term, as applicable allocation/funding of this contract.
- 3) CSD will initiate repayment of advance payments outstanding whenever 75% of the allocation has been expended. CSD shall begin applying approved expenditures to the outstanding advance balance thereby offsetting any subsequent reimbursements. CSD shall determine amounts to be offset by applying the balance of the advance equally into the remaining expenditure reporting periods. An exception may occur if the expenditure reports submitted are less than the applied settlement formula (as described immediately above). In that case, CSD shall apply the entire reimbursement amounts against the outstanding advance balance.
- 4) In the event this Agreement is amended to increase the consideration of this Agreement, a subsequent advance payment plus any previous advances already allowed shall not exceed 25% of the total consideration of this Agreement.

B. Subsequent Payments

Contracts will be awarded in which the Contractor will receive two separate reimbursement payments for two outcomes.

The cost-per-client for outcome one (1) will be reimbursed at the rate specified in Exhibit A, item 2, cost-per-client outcome one (1). Reimbursement for outcome one (1) will be based on the organization submitting documentation (CSD form 623 and 667) indicating client submitted an Application for Naturalization N-400 and/or N-600.

The cost-per-client for outcome two (2) will be reimbursed at the rate specified in Exhibit A, item 2 cost-per-client for outcome two (2), a fixed rate of \$100 per client. Reimbursement for outcome (2) will be based on the organization

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submitting documentation (CSD form 623 and 667) indicating client received a Certificate of Naturalization.

In a case where an applicant has invested time and funds towards the naturalization of a client and is unable to demonstrate the successful achievement of a naturalization certificate, the applicant may be eligible for payment at the discretion of CSD. In such cases, reimbursement may be paid upon submission of documentation to confirm client obtained fingerprints (\$50) and successfully completed the USCIS interview (\$50).

C. Cost per Client

Total Cost per Client shall be _____ as noted on the Application Face Sheet per the conditions set forth in the Request For Application (RFA).

2. Reporting Requirements

The issuance of other CSD contracts, including reimbursement payments to the Contractor may be contingent upon timely receipt of the required reports of this Agreement.

A. Monthly Reports

Contractor shall ensure that the monthly report consisting of the Naturalization Services Program Monthly Expenditure Reporting Form, CSD 623 (Rev. 10/06); and the Naturalization Client Reporting Form, CSD 667 (Rev. 10/06) are received by the State on or before the fifteenth (15th) calendar day of the month following the end of the reporting period, regardless of the level of activity or amount of expenditures during the reporting period. Contractor shall provide a signed, hard copy of all required reports. Reports are due as follows:

<u>Monthly Period</u>	<u>Reports Due Dates</u>
January 2007	February 15, 2007
February 2007	March 15, 2007
March 2007	April 15, 2007
April 2007	May 15, 2007
May 2007	June 15, 2007
June 2007	July 15, 2007
July 2007	August 15, 2007
August 2007	September 15, 2007
September 2007	October 15, 2007
October 2007	November 15, 2007

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November 2007	December 15, 2007
December 2007	January 15, 2008
January 2008	February 15, 2008
February 2008	March 15, 2008
March 2008	April 15, 2008
April 2008	May 15, 2008
May 2008	June 15, 2008
June 2008	July 15, 2008

Contractors shall submit monthly activity/expenditure reports via an electronic (i.e., Microsoft Excel) spreadsheet to CSD. Contractor must submit their monthly spreadsheet based on Excel version 2000 or higher and must use the template format provided by CSD. No exceptions or other formats to the monthly activity/expenditure reports will be accepted.

B. Close-out Report

Contractor shall submit, on the appropriate CSD forms to be provided toward the end of the contract term, a financial and programmatic close-out report and return all unexpended funds to CSD within ninety (90) calendar days of the final expenditure report. Final reimbursement to Contractor, if owed, shall be contingent upon timely receipt of this close-out by CSD. Failure to submit the close-out in a timely manner will result in forfeiture of all outstanding obligations from CSD to the Contractor. The issuance of other CSD contracts, to include reimbursement, to the Contractor may be contingent upon timely receipt of the close-out of this Agreement.

C. Review

- 1) The State shall review Contractor's fiscal and programmatic reports and evaluate Contractor's demonstrated ability to effectively utilize all funds available under this Agreement.
- 2) An amendment to the total consideration of this Agreement may occur as a result of the State's review of Contractor's program and fiscal operations.

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3. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

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